Hub and Directory Number Route Index as additional forms of interim number portability. Twice, the Oklahoma Corporation Commission denied that request. In tests conducted as a result of an arbitration order in Texas, SWBT identified a danger to network reliability that is presented by the Route Index methods of number portability. There are no safeguards present in the current central office switches to prevent a looping of calls that can tie up all trunks between the sending office and the receiving office in such an arrangement.

171. While SWBT does not consider it as a form of INP, SWBT has agreed to the reassignment of exchange prefix or NXX codes when all of the customer numbers being served in that NXX are assigned to end-user customers who choose to subscribe to a single CLEC. (STC Sec. IV.F; ACS, Cox and !nterprise Sec. 9.8; AT&T, Dobson and Sprint Attachment 21 - Numbering Sec. 2.0)

172. SWBT plans to recover the costs of providing interim number portability in a competitively neutral manner. However the specific methodology has not yet been developed or approved at this time. In the meantime, SWBT has agreed to defer collection of charges from all requesting CLECs. SWBT also proposes that the CLECs keep track of their costs of providing number portability. (STC Appendix Port Sec II.G; ACS, Cox and !nterprise Appendix Port Sec. II.F.1; AT&T, Dobson and Sprint Attachment 14 - Interim Number Portability Sec. 11)

173. Information concerning SWBT's methods of activating INP and coordinating with the CLECs for customer conversions is contained in the affidavit of Mr. Mike Auinbauh. Information concerning the schedule for the implementation of permanent number portability which will eventually replace INP is contained in the affidavit of Mr. Gary Fleming.

## X. CHECKLIST ITEM (xii): LOCAL DIALING PARITY

174. Checklist item (xii) requires SWBT to provide:

> (xii) Nondiscriminatory access to such services or information as are necessary to allow the requesting carrier to implement local dialing parity in accordance with the requirements of section 251(b)(3) 47 U.S.C. § 271(c)(2)(B)(xii).

Section 251(b)(3) provides the following requirements:

> (3) DIALING PARITY.--The duty to provide dialing parity to competing providers of telephone exchange service and telephone toll service, and the duty to permit all such providers to have nondiscriminatory access to telephone numbers, operator services, directory assistance, and directory listing, with no unreasonable dialing delays.

SWBT meets both of these requirements. (STC Sec. VI.B; ACS, Cox, ICG and !nterprise Sec. 15; Brooks, Intermedia and USLD Sec. VI.B; AT&T Sec. 47; Dobson and Sprint Sec. 49)

175. The FCC Rules (§ 51.207) specify that local dialing parity means that telephone exchange service customers within a local calling area may dial the same number of digits to make a local telephone call, regardless of the identity of the customer's or the called party's CLEC. SWBT's interconnection arrangements fully meet this requirement. The FCC's Second Report and Order, at ¶ 71 stated that local dialing parity is also achieved through the implementation of the interconnection, number portability and nondiscriminatory access to telephone number requirements of Section 251 of the Act. As described earlier, SWBT has implemented each of these in accordance with the Act and the FCC Rules.

176. SWBT's interconnection arrangements do not require any CLEC to use access codes or additional digits to complete local calls to SWBT customers. Neither are SWBT customers

required to dial any access codes or additional digits to complete local calls to the customers of any CLEC. The interconnection of the SWBT network and the network of CLECs will be seamless from a customer perspective. Since the CLEC central office switches are connected to the trunk side of the SWBT tandem or central office switches in the same manner as SWBT and other local exchange companies, there are no differences in dialing requirements or built-in delays for a CLEC customer. (STC Sec. VI.B.1; Brooks, Intermedia and USLD Sec. VI.B.1; AT&T Sec. 47: Dobson and Sprint Sec. 49)

177. In addition, Section 271 (e)(2) of the Act requires a Bell Operating Company to provide IntraLATA dialing parity at the time the company is granted approval to offer InterLATA toll service. All SWBT central office switches in Oklahoma are currently equipped to provide two PIC codes to allow end users to select both their IntraLATA and InterLATA toll service provider.

## XI. NONDISCRIMINATORY TREATMENT OF CLECs and IXCs

178. In the following paragraphs I will describe SWBT's public switched network that will be used to provide interconnection and unbundled network elements to CLECs and to SBCS and other IXCs in Oklahoma. I will also show that, from a technical perspective, SWBT cannot reasonably engage in a concerted plan to discriminate in favor of itself or its affiliate, or against other service providers. Furthermore, if SWBT did attempt to engage in such discrimination, that discrimination would be easily detected.

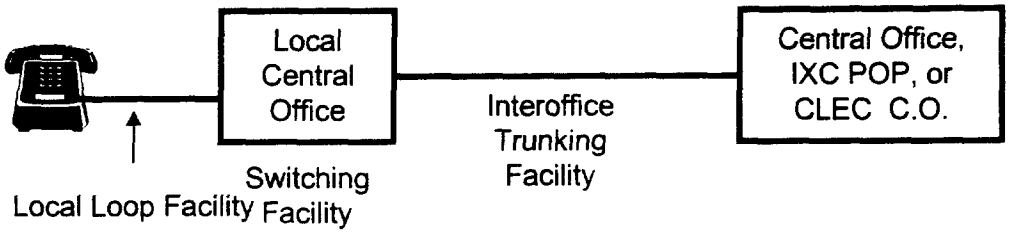
179. SWBT will not be able to discriminate in favor of itself or Southwestern Bell Communications Services ("SBCS"), or against CLECs or IXCs, because SWBT will provide the CLECs and IXCs with exchange and interexchange access, network

interconnection, collocation, unbundled network elements and resold services using the existing network facilities, systems and databases that are used to serve SWBT's retail customers. Where applicable, the same service parameters, intervals, standards, procedures, and practices that SWBT uses to serve retail customers will also be used to provide services to CLECs and IXCs, including SBCS.

180. Discrimination regarding these services and network elements is not practical because they are provided utilizing the facilities, switches and systems that were specifically designed to automatically provide nondiscriminatory service. SWBT's network is not currently designed (and no changes are planned) to identify or segregate traffic or services of individual carriers. All types of traffic, such as local, intraLATA toll and interLATA, are carried on trunks and loops intermingled with traffic from many carriers, and users are switched by local and tandem switches pursuant to standard software and routing tables. The process of identifying and interfering with the traffic of various CLECs and IXCs would be a major undertaking that would require the assistance of several equipment manufacturers and would therefore be easily detectable.

181. To be successful, any such discrimination plan would require a significant reconfiguration of SWBT's network and related systems, including modifying or replacing a substantial portion of the generic software that drives its switches and systems. Such software changes would require the involvement of non-affiliated switching equipment manufacturers. Any such scheme would also require the coordinated participation of hundreds of SWBT technicians. This kind of concerted discrimination is not only impractical, but assuming for the sake of argument it was attempted, it would be obvious.

182. SWBT's telecommunications network is a multi-purpose, mixed-use network. The network is capable of transmitting voice, data, and video information on a local and intrastate basis, and for intrastate and interstate access to long-distance carriers. The network is composed of three basic building blocks. These are the loop facilities, the central switching offices, and the interoffice trunking facilities. The interoffice trunk facilities include the interoffice signaling system.




183. The loop facilities (or outside plant equipment) are the communications paths that connect a customer's location to a central switching office or to another transmission facility. The loop is typically a pair of copper wires, but as will be discussed later, it may also be a pair of glass fiber lightguides.

184. The central switching office, or central office (C.O.), is the hub of the loop facilities for a geographical area known as a wire center. The central office contains the switching machine that connects one customer's loop facilities to another, or a customer's loop facilities to a trunk to another central office. The central office also contains the distributing frame that allows any loop facility in the wire center to be associated with any telephone number available in the switching machine. In addition, the central office provides the power to operate the telephones that are connected to the loop facilities.

185. The interoffice trunking facilities are the communications paths between the switching machines. In a town served by a single switching machine, all trunks are usually used for access to long-distance carriers or for operator services. In large cities, there are local trunks that are used to connect customers to each other through different central offices in the city. Trunking facilities may be simple copper wires, but they are most often electronic carrier systems connected to copper wires or fiber optic transmission systems. The signaling information for the trunking facilities may be transmitted between switches using either MF or SS7 protocol signaling.

186. Collectively, the above elements make up SWBT's public switched network and are used to provide virtually all of the company's telecommunications services to consumers and other carriers. I will discuss the configuration of each of these components separately and will show that large-scale discrimination in each component is not feasible to implement and would be easily detectable, in any event. Since discrimination in each component of the network is not feasible, discrimination in the combined network is also infeasible and, if attempted, would be easily detected.

**Switching Systems**

187. The central switching office, or central office (C.O.), is the hub of the loop facilities for a geographical area known as a wire center. The central office contains the switching machine that connects one customer's loop facilities to another, or a customer's loop facilities to a trunk to another central office. The central office also contains the distributing frame that allows any loop facility in the wire center to be associated with any line termination available in the switching machine. In addition, the central office provides the power to operate the telephones that are connected to the copper loop facilities. A

central office switching machine usually is comprised of line terminations, or line ports; trunk terminations, or trunk ports; a switching matrix; and a control system that provides the ability to have multiple features associated with the lines and trunks.

188. SWBT's network in Oklahoma utilizes analog electronic switching systems and digital switching systems. These switches are manufactured and programmed by Lucent (formerly AT&T), Nortel, and Ericsson. None of these companies are affiliates of SWBT.

189. These computer-controlled switches are designed to operate under stored program control utilizing software provided by the switch manufacturers. That is to say, when a customer dials a call, the call is handled by the switch under control of a software program that handles all like traffic in the same manner. For example, when a customer picks up his/her handset, the switch knows the customer is initiating a request for dial tone. The switch responds by causing the dial tone to be applied and prepares to receive digits. This is accomplished by a software routine that regularly scans for off-hook conditions. These software routines are designed by the manufacturers to handle all like traffic in a similar manner and to provide all comparable features and capabilities of the switch on a generic basis. They cannot easily be modified to differentiate calls based on the identity of the CLEC or IXC serving the customer. Any attempt by SWBT to modify this core software would violate the manufacturer's warranty and would be detectable by the switch vendor during routine switch servicing or during the next software upgrade. Such modifications could also jeopardize overall network reliability.

190. A CLEC customer will be connected to the SWBT central office switch at an unbundled switch port element. An unbundled switching port consists of the central office switch hardware (card) and software required to permit a CLEC customer to access the SWBT

switch in order to send or receive information over the SWBT switched network. Ports provide access to the basic functionality of the switching components of SWBT's network, including signaling, digit reception, translation, routing, and call supervision. Dial tone, telephone numbers and ringing signaling are associated with the ports. Multiple switch ports are physically located on a single line card and will be assigned to both SWBT and CLEC customers in the same manner, which is designed to spread the load evenly across the switch and to provide the most efficient use of frame assignements for cross-connections to loop facilities. It is not possible to deteriorate the service of one customer without affecting the others.

191. The unbundled Local Switching element provides the originating switching in the end office where the switch port is located. It provides call processing and switching to the proper line or trunk port within the switch. A call that originates on a line port may be completed to another line port on the same switch, to a trunk port for transport to another central office, or to a SWBT tandem switch. It also includes the use of all features and functions available on the switch.

192. A tandem switch is a switch that is designed and programmed to connect interoffice trunks to other interoffice trunks. Interoffice trunks from the individual end offices are connected to the tandem switch to form a network connecting all offices. In this case, the tandem being discussed is the local tandem used in exchanges with more than one local switching office. In the large exchanges there is a separate switch that is used for tandem switching. In smaller exchanges, one of the local central offices will be used for tandem switching for interconnection purposes.

193. The generic software that controls these switches is developed and provided by the switch manufacturer and is proprietary to and controlled by that manufacturer. The software is designed to provide equal access and nondiscriminatory service to all traffic as required by existing legal and regulatory requirements. For example, AT&T (now Lucent Technologies) and Nortel manufactured the switches that serve the majority of SWBT's Oklahoma customers. Neither Lucent nor Nortel provide, within their generic software, the ability for SWBT or any other LEC to discriminate in the routing of local or tandem traffic or in the provision of any central office feature or service. To undertake such discrimination, SWBT would have to obtain the assistance of Lucent and Nortel in an extensive re-writing of their switch software. In addition, due to the multiplicity of switch vendors in Oklahoma, Ericsson would have to be included in the effort as well.

194. The generic switch software also controls collection of all of the digits and routing of the calls. The software used for routing traffic in the switch is established by the manufacturers during switch design. Again, any attempt by SWBT to modify the fundamental switch software to handle traffic of certain carriers differently would be detected by the switch manufacturers during software reloads.

195. Since SWBT's switches do not currently have the technical capability to identify, and treat differently, exchange access, toll or local traffic of specific providers, SWBT cannot reasonably discriminate in the provision of local or tandem switching functions regarding that traffic. For the same reasons, SWBT is not technically able to discriminate regarding unbundled local or tandem switching, switching services provided in support of resold local exchange services and vertical features and other capabilities of its local and tandem switches, such as dial tone and telephone numbers.

196. Even if such differentiation among carriers were practicable, which it is not, any resulting degradation or enhancement would be detected, not only by the switch manufacturer but by the interconnecting carriers themselves. Carriers routinely deploy automatic test equipment and performance monitoring devices to provide general quality assurance functions. As discussed earlier, SWBT will provide test lines that can be used by the CLECs and the IXCs to test individual lines and trunks at any time without the aid of SWBT technicians. As will be discussed later (¶ 175) the interexchange carriers have developed systems for this very purpose. Any attempt to discriminate would be detected during such routine testing.

## Interoffice Trunking Facilities

197. The interoffice trunking facilities are the communications paths between switching machines. In a town served by a single switching machine with no extended area calling arrangements, all of the trunks are used for long-distance calls. In large metropolitan areas, there are local trunks used to connect customers served by the different central offices in the local calling scope. Trunking facilities may be simple copper wires, electronic carrier systems, or fiber optic lightwave guides. Associated with the trunking is a signaling system. This may be an "in-band" signaling system, such as Multifrequency ("MF") signaling, where the signals are transmitted on the same path that is used for transmitting the voice or data communications, or an "out-of-band" signaling system such as Signaling System 7 ("SS7").

198. SWBT will make available capacity on all types of interoffice transmission facilities. These include analog circuits on copper cables, digital circuits on copper cables using T-

carrier, and digital circuits on fiber optic cables. The CLECs may order shared interoffice transport or dedicated interoffice transport.

199. When a CLEC chooses to utilize shared interoffice transport, the CLEC's traffic will be intermixed with the interoffice traffic of SWBT and other carriers, including SBCS and other IXCs; in some cases, on the same trunk groups. If service is degraded for one carrier, it will be degraded for all. Likewise, if there is blocking between two offices, traffic for all carriers will be blocked. SWBT maintains records of trunk group performance that can be compared to what the interconnecting carrier is experiencing on its traffic. As will be discussed later, SWBT has been providing shared interoffice transport service to IXCs for many years, with positive results. As discussed above, the blocking rate for the fourth quarter of 1997 was 0.27 percent.

200. Therefore, it would be exceptionally difficult. if not impossible, to design the interoffice transmission facilities used by SWBT to connect its end office switches to each other, and to the local tandem, in such a manner as to degrade only calls of unaffiliated CLECs or IXCs or to improve the quality of its own customer's calls or those of SBCS customers. The transmission path that carries a SWBT call at any one time may carry a call for a CLEC the next minute. There is no feature of these transmission facilities to identify the company serving a customer on an individual call.

201. Dedicated transport using SWBT facilities to connect CLEC switches could possibly be designed to offer a lesser grade of transmission quality than is provided for SWBT's own trunk groups. However, these facilities are the easiest for the CLEC to test and monitor the quality of the transmission, since they are connected to the CLEC switch and test equipment. It is unlikely that any such discrimination would go unnoticed. The IXCs have

dedicated trunks to many offices today and continually test and analyze the service they are receiving.

**Local Distribution Facilities**

202. SWBT has established one or more wire centers in each of the exchanges it serves in Oklahoma. Each wire center is a defined geographic area and is served by a central office. Within a central office, a main distribution frame ("MDF") is installed to cross-connect the local switch to local distribution facilities or loops that connect end user customers to the network.

203. From these central offices, copper cables or fiber optic cables extend out to the business districts and residential neighborhoods that are located within the wire center. Most of the facilities eventually terminate at the end user's premises, where they are connected to a network interface device. Some of the copper wires have been equipped with digital loop carrier ("DLC") systems which combine or "multiplex" up to 96 communications paths from several different end users over a high-speed digital facility to the central office.

204. A short piece of cable called a drop connects the local distribution cable to the NID on the end user's premises. The drop can be either strung from a pole to the customer's premises, or buried.

205. As described above, local loops are normally concentrated on large cables in the distribution and feeder systems. Cable pairs used to serve one end user are freely intermixed with cable pairs used to serve another. The same cable pair may be used one day to serve a retail customer of SWBT and a day later used to provide an unbundled loop to a CLEC, if that customer changes its subscription to the CLEC. Or the same pair may

be used to allow the CLEC to resell SWBT's services. Further, the same cable pair is used to carry any traffic originating from or terminating to the end user access line involved, regardless of the carrier involved. At any point in time a cable pair may be carrying a local call through SWBT's network or an interLATA call to SBCS, MCI, AT&T or some other long-distance carrier. As is the case with interoffice facilities, there is no ability for the local loop to handle a competitor's call differently than a call of a SWBT customer.

206. SWBT will serve all CLECs using the same local distribution systems it uses to provide service to its retail customers. Thus, SWBT will co-mingle local loop facilities utilizing the same distribution and feeder systems as its competitors. Like those of its competitors, SWBT's loops will be provided through cables and equipment connected to other cables capable of handling large numbers of loops on a single cable and will not be separately identified. Unbundled local loops and resale services will be provided on the same facilities SWBT currently uses to serve its own customers. Indeed, often there are only a few pairs of wires that can be used to serve an individual customer location. These wires must be assigned to the carrier from which the customer orders service. However, these wires are co-mingled with those from other customer locations as the cables increase in size on their way to the central office.

207. When the CLEC orders unbundled local loops for connection to its own switch, the CLEC switch will be capable of testing the loop on a regular basis. Since SWBT will have no active electronics equipment on most of the loops, it would be impossible for SWBT to randomly vary the service quality of the loop. Thus, it would be a simple process for the CLEC to determine the source of any transmission problems. If these loops did not match the standards of the loops used by SWBT it would be apparent at once.

208. Not only will SWBT use the existing loop and feeder distribution system to serve its retail customers and unaffiliated CLECs, but specific loops in those systems are assigned by automated systems that do not recognize the identity of the requesting carrier or customer. These systems are Facility Assignment and Control System ("FACS"), Service Order Analysis and Control ("SOAC"), Loop Facility Assignment and Control System ("LFACS") and Computer System for Mainframe Operations ("COSMOS"). They automatically assign loop facilities on a nondiscriminatory basis, such as the time of receipt of the request and the transmission characteristics needed to provide the requested service.

209. The systems that assign and repair loops are automated, interconnected and interrelated. Once an order has entered these systems, it is automatically handed off from one system to the other whenever possible. It is virtually impossible and impractical to attempt any type of discrimination or manipulation of the assignment process. In addition, any attempt to alter specific parts of the process typically necessitates substantial changes in other portions of that process and/or other downstream systems.

210. It is not technically feasible today for SWBT to segregate the loop facilities provided to unaffiliated CLECs without changing the existing operations support systems for these facilities. Of course, any such system changes would be obvious. Like switches many of these operations support systems are purchased from third parties, who would have to be requested to modify their existing software in order to discriminate. Thus, software modifications of the type required to practice any type of discrimination would be time consuming, costly, and require the cooperation of multiple vendors. Moreover, given the

testing capabilities of competitors' switches, any below-standard performance would quickly be detected and generate a repair request.

211. The only portion of the loop that is isolated to a single customer is the drop wire. This is usually a small copper cable located at the customer's premises. Since there are no active electrical components, there is no reasonable way to degrade the level of service on the drop wire (such as placing a large resistor or cutting the line) that would not be readily detectable to the customer and the CLEC.

212. Thus, the only possible way to discriminate regarding local distribution facilities would be to segregate in some way the loop facilities used by SWBT or its competitors and selectively enhance or degrade them. This would not only be impractical and very expensive, but it would be obvious and easy to detect. Moreover, competitors will frequently order "as is" in the resale mode or reuse, via coordinated conversion, local loop facilities currently used by SWBT to provide its own services to the end user, making SWBT's ability to discriminate even more remote.

**Interoffice Signaling Systems**

213. The two basic signaling concepts used in telecommunications networks are circuit associated signaling and common channel signaling. Prior to SS7, which is a form of common channel signaling, circuit associated, or in-band, signaling was used on all local central office trunking and much of the long-distance trunking networks. AT&T used CCIS, another form of common channel signaling, on some of its long-distance trunking.

214. With circuit associated signaling, all signaling information is carried on the same facility as the voice path. Since signaling and voice share the same path, it is necessary to limit

signaling to periods when no voice transmission is occurring. In general, this limits signaling to the set-up time prior to the called party's answer and after the completion of the call. With common channel signaling, the signaling information and voice information are carried on separate facilities. This allows signals to be transmitted at any time during a connection. One signal channel is used to transmit the signaling information for a large number of voice paths.

215. The primary elements of the SS7 network are the Signal Transfer Point (STP), the signaling links and the Service Switching Point (SSP.) The STP is a packet switching device that provides signaling distribution for the network. A central office or tandem switching machine that is equipped to process SS7 signals is a SSP. The transmission paths that connect SSPs to STPs and STPs to other STPs are called signaling links.

216. Signaling links connecting a SSP to a STP are called Access Links, or A-Links. The connections between STPs operated by two different network owners are called Bridge Links, or B-Links. Crossover Links, or C-Links, are used to connect a pair of STPs operated in the same network. Each signaling link operates at 56 Kilobits per second (Kb/s.)

217. Two or four 56 Kb/s data links are used to connect a pair of Signal Transfer Points in each LATA to a CLEC's SS7 facilities. When a large CLEC has its own STPs, the data links will be between a pair of CLEC STPs and a pair of SWBT STPs in each LATA. A CLEC that does not have STPs may connect each of their switching machines to the LATA SWBT STP pair.

218. SWBT provides access to its signaling network to interexchange carriers and other local exchange companies today, and will provide such access to CLECs under the same terms and conditions. The SS7 signaling network is a separate, highly automated network that utilizes shared facilities, generic software and fast packet switches to perform call-set-up signaling and to route administrative messages on the same basis for all traffic, regardless of the source, destination or carrier involved. Moreover, the same switches, STPs cables, signaling protocols and routing tables that SWBT uses for itself will be used to provide signaling for requesting CLECs.

219. Since CLECs will use the same signaling network on the same basis as SWBT, it is not practical for SWBT to identify separately, or handle differently, comparable traffic of its own or that of CLECs. Further, any attempt to discriminate on a large scale would require a major reconfiguration of SWBT's SS7 network, which would be easily detected.

220. SWBT has been providing both direct interoffice transport and shared interoffice transport services and tandem switching service to interexchange carriers since 1984. During this time, both SWBT and the IXCs have developed methods of monitoring the performance of SWBT in providing and maintaining services, once installed. For example, AT&T has a very detailed performance evaluation system that it uses with SWBT. This system measures over 100 performance items each quarter. Included are such items as Access Network Reliability, maintenance of test lines, installation of test lines, SS7 network performance, percent of trunk groups exceeding AT&T grade of service, due dates not met, and many other measures of interoffice transport performance.

221. SWBT's access tariffs incorporate the specifications for transmission quality for access services provided to IXCs. For example, Tariff F.C.C. No. 73, § 6.7.10 lists the acceptance

tests that are performed cooperatively between SWBT and an IXC at the time various services are installed. These include tests of transmission loss, C-notched noise, C-message noise, 3-tone slope, direct current continuity, and operational signaling. Other tests may be included for particular services. With the results of these initial baseline tests, a carrier would be able to detect any degradation of the facility after it was installed.

222. The most common type of access connection is a Feature Group-D trunk. The transmission specifications and testing capabilities of this type of service are detailed in § 6.7.8 and § 6.7.10 of Tariff F.C.C. No. 73. Included in the testing capabilities is seven digit access to a balance (100 type) test line, milliwatt (102 type) test line, nonsynchronous or synchronous test line, automatic transmission measuring (105 type) test line, data transmission (107 type) test line, loop around test line, short circuit test line, and open circuit test line. Additionally, in-service tests may be scheduled any time after the installation for verification of circuit performance. All of these access test facilities will continue to be available to SBCS and other IXCs. This will enable any carrier to detect service problems on the facilities being obtained from SWBT.

223. F.C.C. Tariff No. 73, §§ 6.7.14 and 6.7.15 provide specific obligations of SWBT concerning the design of Switched Access Services. These sections include a provision that requires SWBT to provide service performance data on end-to-end service and trunk group data, such as the total load offered. Section 6.7.3 also includes the design blocking criteria to be applied to each type of service ordered by the IXC. These services will continue to be available to IXCs and SBCS.

224. In addition, many carriers have established monitoring projects to establish their own required levels of service. SWBT has cooperated in these projects to maintain the desired

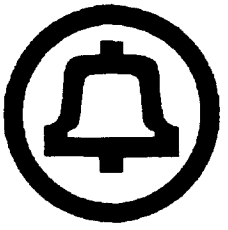
levels of service. As discussed above, AT&T has a detailed monitoring process. This plan covers all phases of SWBT's operations as they relate to the provision of switched and special access services to AT&T. Any change in the level of service being provided to it by SWBT after the start of operations of SBCS would be immediately detected.

225. When a CLEC orders the various unbundled network elements to provide exchange access (or other) services, SWBT loses control of the facilities used to provide most of the elements. Because of this, SWBT also loses the ability to effect the quality of those elements. For instance, most (91% in Oklahoma) unbundled local loops that will be connected to a CLEC switch have no active electronic elements provided by SWBT. These elements will be simple copper wires. SWBT will have no ability to vary the quality of these lines in such a way that it would not be easily detectable by the CLEC. Dedicated transport facilities will be provided over the same facilities used to provide service to SWBT, its customers, and the IXCs. Again. there is no way to cause undetectable problems on these facilities without also degrading the service provided to SWBT customers. The local switching element and the tandem switching elements are provided by the same switches used to provide service to SWBT customers. The SS7 signaling network elements are the most sensitive portions of the network and are under constant surveillance. It would be impossible to degrade the service to one or more CLECs without detection. In summary, there will be no opportunity for discrimination against the IXCs or CLECs, or in favor of SWBT and its affiliate SBCS.

226. This concludes my affidavit.

# (DEERE) SCHEDULE NO. 1

# Southwestern Bell Telephone Company



*Technical Publication*

*for*

*Access to Unbundled Network Elements*

*Issue 1*
*January 29 1998*

# INDEX

# Changes included in Issue x - Anytime , Future

| SECTION | CHANGE |
|---|---|
| All | Future changes will be listed in this section. |

# 1. GENERAL

## 1.1 DESCRIPTION

This Technical Publication provides eligible carriers ("CLEC") with information needed to apply for and obtain access to Unbundled Network Elements ("UNEs") with Southwestern Bell Telephone Company.

With the objective of providing access to UNEs at any technically feasible point, SWBT offers the following five methods or options that may be utilized:

Method 1 — If a CLEC is physically collocated, SWBT will extend UNEs that require cross connection to CLEC's physical collocation Point of Termination (POT) frame.

Method 2 — If CLEC is physically collocated, SWBT will extend UNEs that require cross connection to the UNE Frame located in a collocation common area.

Method 3 — SWBT will extend UNEs that require cross connection to the UNE Frame located in a common area room space, other than collocation common area, within the central office building.

Method 4 — SWBT will extend UNEs to an external Point of Presence, such as a cabinet located outside the Central Office building, provided by SWBT on SWBT property. CLEC will be afforded access to this arrangement through the UNE order process.

Method 5 — SWBT shall allow extension of UNEs to a building not controlled by SWBT via cabling provided by CLEC. The CLEC shall provide the excess cable necessary to reach a SWBT Frame in the SWBT central office where CLEC request connection.

Methods 1 and 2 are only available to physically collocated CLECs. Methods 2, 3 and 4 are subject to SWBT's determination of space availability.

Wherever practical, the UNE space (Method 3) inside the Central Office building will be located such that it can be separated from the rest of that building to allow for direct access from the exterior, or via controlled access through secured corridors to the partitioned space.

## 1.2 INSURANCE

The CLEC shall, at its sole cost and expense procure, maintain, pay for and keep in force the following insurance coverage and any additional insurance and/or bonds required by law and underwritten by insurance companies having a BEST Insurance rating of A+VII or better, and which is authorized to do business in the jurisdiction in which the central office is located.

(1) Commercial General Liability insurance with minimum limits of: $1,000,000 General Aggregate limit: $1,000,000 each occurrence sublimit for all bodily injury, property damage or medical expenses incurred in any one occurrence: $1,000,000 each occurrence sublimit for Personal Injury and Advertising: $1,000,000 Products/Completed Operations Aggregate limit, with a $1,000,000 each occurrence sublimit for Products/Completed Operations. Said coverage shall include the contractual, independent contractors products/completed operations, broad form property, personal injury and fire legal liability.

(2) If use of an automobile is required or if the CLEC is provided or otherwise allowed parking space by SWBT in connection with this Agreement, automobile liability insurance with minimum limits of $1 million each accident for Bodily Injury, Death and Property Damage combine. Coverage shall extend to all owned, hired and non-owned automobiles.

(3) Workers' Compensation insurance with benefits afforded in accordance with the laws of the State in which the space is to be provided.

(4) Employer's Liability insurance with minimum limits of $100,000 for bodily injury by accident, $100,000 for bodily injury by disease per employee and $500,000 for bodily injury by disease policy aggregate.

(5) Umbrella/Excess liability coverage in an amount of $5 million excess of coverage specified above.

(6) All Risk Property coverage on a full replacement cost basis insuring all of the CLEC's personal property situated on or within the central office.

(7) CLEC shall also require subcontractors who may enter the central office to maintain the same insurance requirements listed above.

(8) CLEC shall furnish SWBT a certificate of insurance stating the types of insurance and policy limits.

(9) Self insurance of the requirements listed above is permitted if:

a) The CLEC's tangible net worth is $50 million or greater

and

b) The CLEC files a financial statement annually with the SEC and/or has a financial strength rating of 4A or 5A assigned by Dun & Bradstreet.